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Creating an environment at the national and international levels conducive to generating full and productive employment and decent work for all, and its impact on sustainable development

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The Secretary-General has received the following statement, which is being circulated in accordance with paragraphs 36 and 37 of Economic and Social Council resolution 1996/31.

Statement

The question of employment and income derived from work is quite certainly one of the most significant concerns of civil-society organizations in Algeria; it seems to dominate the political discourse as well and it accounts for the numerous measures taken to promote balanced development in the country.

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Currently, the situation appears to be rather favourable, although its precarious nature must be emphasized; in fact, there is reason to fear possible shifts in the situation that could lead to lasting disruption of an economy, which remains, for the most part, outward-looking and largely dependent on favourable conditions in the oil market.

The unemployment rate is currently around 15 per cent, according to official statistics, and per capita income is on the order of US$ 2,630.

Thus, the numbers point to a favourable development quite unprecedented since the country gained its independence.

Civil society's perception of an environment in constant change serves to temper somewhat the view which could result from a neutral reading of these data; there are many reasons to qualify the assessment and to mingle optimism, realism and objectivity in a more rational way. While cash earnings are the highest recorded in the country's recent history, this has yet to lead to a noticeable change in income and living conditions for many people. This greater prosperity comes after two decades of recession and serious socio-political problems which have had significant after-effects and caused delays which have been difficult to remedy. The economic structures and the role of the State have also changed. We are still moving, with difficulty, from a collectivist, administered economy towards a market economy which is more open to the world. In such a situation, where development initiative is transferred to the private sector, the role of the State is diminishing, highlighting all of the weaknesses of the economy and management. These concerns, compounded by the fact that the country has fallen increasingly far behind in recent years, minimize the impact of any economic redeployment and resumption of growth; the transformation of an economy largely dominated by the public sector has already resulted in much downsizing. The social safety nets and alternative employment policies developed by the public authorities have probably allowed the country to avoid the worst, but they have not curbed the trend towards impoverishment and exclusion which is affecting a significant proportion of society.

Strides have certainly been made in employment in recent years, and the unemployment rate has been reduced to an average close to that observed in other countries in the region.

This progress, which is due in part to changes in the way that the unemployed are counted, should nonetheless be seen in relation to the current structure of employment in order to grasp its full meaning; while jobs are increasing in number, they are changing in nature and deteriorating in quality:

- The informal sector is becoming the most significant employer;
- Employment relations are primarily for fixed terms;
- Precarious conditions are often accompanies by non-compliance with workers' legal protections, and many workers are not even enrolled in the social security system;
- Compensation is often low and is sometimes below the guaranteed national minimum wage;
- Oversight and regulatory mechanisms are insufficient and ineffective.

Thus, while progress has been made, many needs are still going unmet.

The current actors in economic life have concerns which are varied and sometimes contradictory:

- The public authorities are trying to maintain the economy's overall balance and to play the role of arbitrator, regulator and protector of those most in need;

- Private entrepreneurs aim to make a profit, and often do not hesitate to ignore their social responsibilities. One third of these economic actors do not even fulfil their tax obligations;

- Civil society is watching the situation develop, attempting to draw attention to the most serious inconsistencies and inequities and trying to do what it can to improve the most unacceptable situations.

Significant changes in the situation mean that these actors must demonstrate greater commitment and responsibility towards the public, which they look upon as a group of constituents, consumers, voters or supporters, as a workforce or as ordinary citizens:

- While State subsidies which come from taxes on the oil industry should go to collective consumption, intermediate consumption should not be overlooked. At the very least, conditions should be created for the development of wealth- and employment-generating investments in areas such as credit, infrastructure, energy, land ownership, industry, enterprise zones, markets, employment cost reduction, regulatory acceptable obligations and efficient controls;

- Now that the State is scaling back its role as an economic entrepreneur, it should play more effectively the role of arbitrator, auditor and supervisor in order to ensure that the various actors comply with their obligations and to promote a more equitable redistribution of national income by means of labour;

- Alternative employment policies and anti-poverty programmes should remain responsibilities of the public administration, which should, at all times, favour the creation of productive jobs over social assistance;

- Private entrepreneurs concerned with profit should nonetheless not evade their social responsibility but should become corporate citizens which will participate more actively in the country's development;

- Civil society can intervene more directly to combat poverty, unemployment and exclusion, provided that the rules governing economic life are made less exclusive.

In view of the foregoing, how can an enabling national and international environment be created for decent work conducive to sustainable development?

There is no universal panacea for achieving this aim; there are only more or less successful experiences, of limited geographical scope and duration, that can inspire further endeavours. Algeria's experience, while not a model in this area, may be cited by way of example:

- A social safety net that is dense enough to include those who are disadvantaged by changes in the economic environment;

- Various forms of social assistance that support many families in need;

- Supply of medical and educational services free of charge on a widely accessible basis;
- Beneficial, albeit still insufficient, social housing policy;
- Relatively liberal social legislation;
- Significant support for new business formation;
- Alternative employment policies targeting a wide variety of population groups;
- Subsistence of a sizeable State-owned business sector that generates employment and revenue.

This experience, which is costly but necessary for preserving the cohesiveness of the social fabric and preventing the most serious forms of fragmentation, should not, however, be regarded as a model, since the State, rich in resources and shaped by decades of centralism, is the leading player and allows other stakeholders — economic operators and civil society — to play only an auxiliary role. This configuration tends to sideline other players that could, in more favourable conditions, make a valuable contribution to the effort to address sustainable development problems:

- Economic operators should fully assume their social responsibility in order to take advantage of the various supports and facilities for which they could become eligible;
- Multinational corporations that wish to do business and earn profits in Algeria should demonstrate, in their day-to-day activities, that they accept the constraints and responsibilities that this entails by becoming good corporate citizens;
- Civil-society organizations with the capacity to contribute, however modestly, to the country's development should be encouraged;
- Different populations' latent ability to meet their own needs should be brought into play, with active support from public authorities;
- Women should reclaim their status and role in all areas of economic, social and political life;
- The social economy should be the subject of appropriate legislation and rules, and resources should be allocated to promote its emergence and development;
- Equitable trade and finance should expand into new areas in accordance with the importance of their economic and social objectives.

These actors, mobilized around a noble cause from which they will be sure to benefit over time, retain their unique nature and their own characteristics, while contributing to the achievement of a task in the general interest. Their contributions should be conceived as a concerted effort that takes their viewpoints and suggestions into account.

The work of the NGO movement should be characterized by:

- Community outreach initiatives, so that the various measures and forms of support will reach their intended beneficiaries;

- A capacity for listening and mobilizing that equips it to effectively act as a channel of communication between at-risk populations and public authorities;
- Significant and diversified potential for targeted economic intervention, using solidarity to achieve social objectives at the lowest possible cost;
- Not-for-profit and ethical motives, to minimize the risk that activities and proceeds may be misused;
- Activities that supplement public policy initiatives while retaining a critical perspective;
- Openness to the world, to universal values and to networks already in place with a view to supporting and assisting those most in need;
- Participation in the development of proposals for putting more humanity into human relations, whether political, economic or social in nature.

At the national level, these efforts will require the full deployment of all initiatives, starting with those that give priority to the general interest. Steps should be taken to create conditions for the development of forces that have demonstrated, elsewhere, their effectiveness in solving social problems:

- Facilitating the emergence of a responsible civil society by adapting rules and establishing a variety of targeted supports and incentives;
- Enabling the third sector, consisting of cooperatives, mutual societies and management associations, to act as economic operators and to promote the virtues of solidarity coupled with a not-for-profit orientation, which in no way precludes productivity;
- Authorizing NGOs to enter financial markets and allowing the establishment of micro-finance institutions;
- Treating NGOs as though they were public institutions and administrations in fiscal and quasi-fiscal matters whenever they participate in public initiatives to combat a variety of social ills;
- Formally recognizing the status of volunteers to expand their areas of activity and to enable civil society to raise the number and quality of recruits and, therefore, their social effectiveness;
- Setting up a national NGO council to promote, monitor and follow up on the development of these organizations;
- Establishing a national NGO development fund to support projects and regulate certain activities;
- Opening up channels of international cooperation and supporting the efforts of NGOs wishing to become involved in worldwide exchanges in order to benefit from experiences and resources that can improve their social performance.

These measures for addressing issues of specific concern to Algeria should make it possible to strengthen the avenues of activity of the NGO movement and to give it a supporting role that will be of benefit to human development and to efforts to combat all forms of marginalization.

The Economic and Social Council, which has responsibility in this area, can do much to improve a state of affairs that is not at all conducive to good performance. It need only convince its members of the importance of these economic and social actors, and propose, in a recommendation, that they allow the latter to take part in development through measures that draw upon the proposals put forward by the different countries engaged in this debate.